

Message Text

LIMITED OFFICIAL USE

PAGE 01 MANILA 07289 01 OF 02 050309Z
ACTION TRSE-00

INFO OCT-01 EA-10 ISO-00 EB-08 L-03 /022 W
-----022839 050326Z /66

R 050247Z MAY 78
FM AMEMBASSY MANILA
TO SECSTATE WASHDC 5286

LIMITED OFFICIAL USE SECTION 01 OF 02 MANILA 07289

USADB

PASS TREASURYDEP FOR EVA MEIGHER

EO 11652:N/A
TAGS: EAID, EFIN, ADB
SUBJECT: CLEARY, GOTTLIEB, STEIN & HAMILTON

FOLLOWING INFORMATION WAS PROVIDED BY GENERAL COUNSEL'S
OFFICE IN RESPONSE TO SUBSTANCE OF MEIGHER/WESTCOTT
CONVERSATION AT TIME OF ADB ELEVENTH ANNUAL MEETING IN
VIENNA LAST WEEK:

1. QUESTION: IS CLEARY GOTTLIEB REPRESENTING ANY UNDER-
WRITERS THAT UNDERWRITE ADB BONDS OR INVESTMENT BANKERS
THAT DO BUSINESS WITH ADB?

ANSWER: TO THE BEST OF OUR KNOWLEDGE CLEARY
GOTTLIEB DOES NOT REPRESENT OUR LEAD UNDERWRITERS, THE
FIRST BOSTON CORPORATION AND LEHMAN BROTHERS KUHN LOEB,
INC. FURTHER, WE ARE NOT AWARE THAT CLEARY GOTTLIEB
ACTS AS LEGAL COUNSEL FOR ANY OF THE APPROXIMATELY 88
UNDERWRITERS THAT PARTICIPATED IN OUR MOST RECENT PUBLIC
OFFERING.

2. QUESTION: IS THE BANK GIVING ANY CONSIDERATION TO
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MANILA 07289 01 OF 02 050309Z

REVIEWING ITS CONTINUING NEED FOR CLEARY GOTTLIEB SERVICES
AND MAKING IT POSSIBLE FOR OTHER LAW FIRMS TO COMPETE IN
PROVIDING THESE SERVICES? EXCEPT FOR LOCAL COUNSEL FOR
BOND QUALIFICATIONS, DOES THE ADB HAVE LEGAL REPRESENTA-
TION IN THE UNITED STATES IN ADDITION TO CLEARY GOTTLIEB?

ANSWER: IT WOULD BE HIGHLY IMPRACTICAL AND EXTREMELY

EXPENSIVE TO HAVE A GROUP OF LAW FIRMS COMPETE FOR ADB LEGAL BUSINESS THROUGH A BIDDING PROCESS. CLEARY GOTTLIEB, THROUGH ITS YEARS AS COUNSEL FOR THE BANK, HAS ACQUIRED A KNOWLEDGE OF THE BANK'S OPERATIONS AND PROBLEMS THAT COULD NOT BE DUPLICATED BY A SUCCESSOR LAW FIRM EXCEPT AT VERY GREAT EXPENSE. INASMUCH AS THE BANK WILL CONTINUE TO ISSUE ITS OBLIGATIONS IN THE UNITED STATES AND WILL NEED TO CONTINUE TO ATTEMPT TO SECURE NECESSARY LEGISLATIVE AUTHORITY SO THAT PUBLIC BODIES, INSURANCE COMPANIES, ETC. CAN PURCHASE THESE SECURITIES FOR INVESTMENT, WE ANTICIPATE THAT THE NEED FOR CLEARY GOTTLIEB'S SERVICES WILL CONTINUE.

3. QUESTION: IN CONNECTION WITH SERVICES COVERED BY THE YEARLY RETAINER OF DOLS 50,000, WHAT WERE THE ANNUAL OUT-OF-POCKET EXPENSES FOR ONE YEAR (E.G., 1977) INCLUDING LOCAL COUNSEL. PROVIDE DETAILS OF EXPENSES FOR RECIPIENT LOCAL COUNSEL IN THE SAME YEAR AND PURPOSE FOR WHICH PAYMENT WAS MADE (E.G., CALIFORNIA, ENACTMENT OF LEGISLATIVE PROVISION FOR TRUST FUNDS).

ANSWER: TOTAL OUT-OF-POCKET EXPENSES INCURRED BY CLEARY GOTTLIEB IN 1977 AMOUNTED TO DOLS 4,422.63. DETAILS OF PROFESSIONAL FEES PAID TO LOCAL COUNSEL IN 1977 ARE AS FOLLOWS:

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 MANILA 07289 01 OF 02 050309Z

STATE	AMOUNT TO	EXPLANATION
-	LOCAL COUNSEL	

MONTANA-WYOMING	DOLS 1,658.99	AMENDATORY LEGISLATION
(1/3 OF TOTAL,	PERMITTING PUBLIC	
OTHER 2/3 BORNE	FUNDS TO PURCHASE ADB	
BY IBRD AND IDB)	BONDS	

INDIANA	2,259.06	AMENDATORY LEGISLATION
(1/2 OF TOTAL, OTHER	PERMITTING LIFE INSUR-	
1/2 BY IDB PLUS	ANCE COMPANIES TO	
INSURANCE BILL)	PURCHASE ADB	
-	SECURITIES	

ILLINOIS	2,722.85	OBTAINING LEGISLATION
-	WHICH WOULD PERMIT	
-	PUBLIC EMPLOYEE	
-	PENSION FUNDS TO IN-	
-	VEST IN ADB SECURITIES	

TEXAS	80.50	RESEARCH ON TEXAS
-	INVESTMENT STATUTE	
-	RE ADB	

4. QUESTION: PROVIDE DETAILS OF LEGAL EXPENSES INCURRED
IN CONNECTION WITH ADB BOND ISSUES DURING THE LAST THREE
YEARS.

ANSWER: DURING THE YEARS 1975, 1976, AND 1977 CLEARY
GOTTLIEB PROVIDED LEGAL SERVICES IN CONNECTION WITH SIX
ADB BOND ISSUES, CONSISTING OF THREE PUBLIC OFFERINGS
WITHIN THE U.S.A. AND THREE OFFERINGS OF QUOTE TWO-YEAR
BONDS UNQUOTE WHICH ARE PURCHASED BY MEMBER GOVERNMENTS
AND THEIR CENTRAL BANKS. LEGAL FEES AND OUT-OF-POCKET
EXPENSES FOR THESE TRANSACTIONS FOLLOW:

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 MANILA 07289 02 OF 02 050307Z
ACTION TRSE-00

INFO OCT-01 EA-10 ISO-00 EB-08 L-03 /022 W

-----022837 050323Z /66

R 050247Z MAY 78

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 5287

LIMITED OFFICIAL USE SECTION 02 OF 02 MANILA 07289

USADB

PASS TREASURYDEP FOR EVA MEIGHER

A. PUBLIC OFFERING DOLS 75 MILLION - FIVE-YEAR NOTES

1975-80

PROFESSIONAL SERVICES DOLS 61,500 (SEE NOTE)

LEGALITY MEMORANDUM 8,000

OUT-OF-POCKET EXPENSES 4,172

NOTE: THIS WAS THE FIRST PUBLIC OFFERING SINCE 1971.

HENCE, MUCH LEGAL QUOTE CATCH-UP UNQUOTE WORK WAS
INVOLVED.

B. PUBLIC OFFERING DOLS 100 MILLION - FIVE-YEAR NOTES

1976-81

PROFESSIONAL SERVICES DOLS 32,000

LEGALITY MEMORANDUM 5,000

OUT-OF-POCKET EXPENSES 750

C. PUBLIC OFFERING DOLS 75 MILLION - TEN-YEAR NOTES

1976-86

PROFESSIONAL SERVICES	DOLS 35,000
LEGALITY MEMORANDUM	3,500
OUT-OF-POCKET EXPENSES	5,403

D. DIRECT BORROWING DOLS 70 MILLION - TWO-YEAR BONDS
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MANILA 07289 02 OF 02 050307Z

1975-77

PROFESSIONAL SERVICES	DOLS 1,425
OUT-OF-POCKET EXPENSES	75

E. DIRECT BORROWING DOLS 50 MILLION - TWO-YEAR BONDS
1976-78

PROFESSIONAL SERVICES	DOLS 850
OUT-OF-POCKET EXPENSES	77

F. DIRECT BORROWING DOLS 70 MILLION - TWO-YEAR BONDS
1977-79

PROFESSIONAL EVERVICES	DOLS 1,250
OUT-OF-POCKET EXPENSES	55

EDMOND

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: INFORMATION EXCHANGE, ATTORNEYS, BUSINESS FIRMS, SECURITIES MARKETS
Control Number: n/a
Copy: SINGLE
Draft Date: 05 may 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978MANILA07289
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780191-0698
Format: TEL
From: MANILA USADB
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780589/aaaacybc.tel
Line Count: 195
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: bcc7cba3-c288-dd11-92da-001cc4696bcc
Office: ACTION TRSE
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 03 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2779338
Secure: OPEN
Status: NATIVE
Subject: CLEARY, GOTTLIEB, STEIN & HAMILTON FOLLOWING INFORMATION WAS PROVIDED BY GENERAL COUNSEL'S OFFICE IN RESPONSE TO SUBSTANCE OF MEIGHER/WESTCOT
TAGS: EAID, EFIN, ADB, CLEARY GOTTLIEB STEIN & HAMILTON
To: STATE
Type: TE
vdkgvkey: odb://SAS/SAS.dbo.SAS_Docs/bcc7cba3-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014